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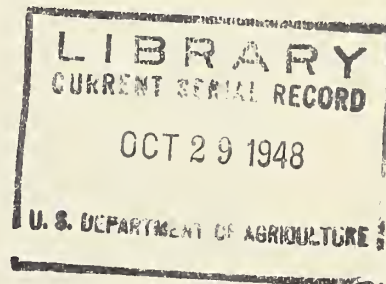
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FARM CREDIT ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

HANDBOOK ON
MAJOR REGIONAL FARM SUPPLY
PURCHASING COOPERATIVES

1946-47



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The Cooperative Research and Service Division conducts research studies and service activities relating to problems of management, organization, policies, merchandising, sales, costs, competition, and membership arising in connection with the cooperative marketing of agricultural products and the cooperative purchase of farm supplies and services; publishes the results of such studies; confers and advises with officials of farmers' cooperative associations; and cooperates with educational agencies, cooperative associations, and others in the dissemination of information relating to cooperative principles and practices.



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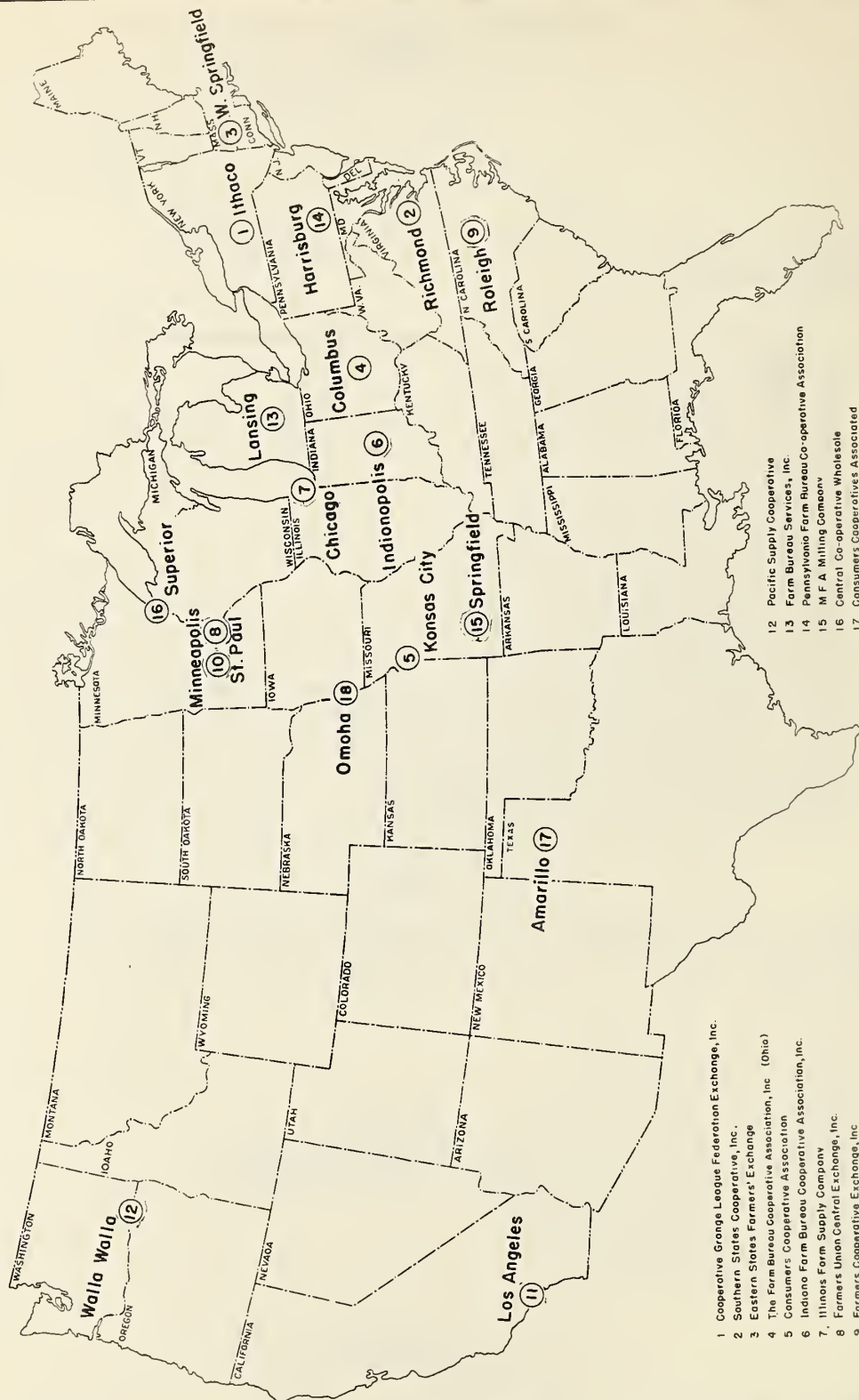
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LOCATION OF 18 MAJOR REGIONAL FARM SUPPLY PURCHASING COOPERATIVES



- 1 Cooperative Grange League Federation Exchange, Inc.
- 2 Southern States Cooperative, Inc.
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NOTE: Associations numbered according to the range in size of business volume.

HANDBOOK ON MAJOR REGIONAL FARM SUPPLY PURCHASING COOPERATIVES, 1946 AND 1947

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Part I of this handbook presents concise comparable information for each of the 18 major regional farm supply purchasing cooperatives in the United States for their fiscal years ended in 1946 and in 1947. Part II combines this information and analyzes it as a means of showing the character and significance of these associations as a group.

All except one of the associations described perform wholesale service for retail cooperative outlets of various types. One association distributes all supplies direct to individual purchasers. In addition to giving wholesale service, seven associations distribute supplies direct to farmers through their own retail outlets. Six associations also engage in the cooperative marketing of farm products. The individual reports in Part I show clearly the main points of similarity and of difference.

Unfortunately, it is not possible to provide information for a considerable number of regional farm supply purchasing cooperatives which have individual volumes of less than \$5 million. It should also be pointed out that there are many regional cooperative marketing associations perform an extensive cooperative purchasing service. The Appendix presents information on the value of supplies distributed to farmers through four associations of this type which had combined supply volume of more than \$55 million in 1947.

PART I

INDIVIDUAL REPORTS FOR 18 MAJOR REGIONAL FARM SUPPLY PURCHASING COOPERATIVES FOR FISCAL YEARS ENDED IN 1946 AND 1947

This section gives individual information for each of the 18 associations, including date of organization, area of service, types of local outlets, types of supplies handled and products marketed, dollar volume of wholesale, retail, and marketing business, distribution of savings, financial condition, and number of employees.

NOTE: Appreciation is expressed to the associations which provided the information used in the preparation of this handbook and to Mrs. Jeanne Franklin for her valuable aid, both technical and secretarial.

COOPERATIVE GRANGE LEAGUE FEDERATION EXCHANGE, INC.

The Cooperative Grange League Federation Exchange, Inc., known as the "G.L.F.," was organized on June 28, 1920. It serves farmers in New York, New Jersey, and the northern tier of counties in Pennsylvania - the territory known as the "New York Milkshed." Its administrative offices are in Ithaca, New York.

The G.L.F. has a centralized form of organization. Its board of directors is directly responsible to its farmer-members. Membership is determined by ownership of common stock or by the extent of an individual's purchases or sales through the organization. Any farmer-patron who annually purchases or sells \$100 or more of supplies or produce through the organization qualifies as a member.

The G.L.F. is an integrated organization since it performs manufacturing, processing, wholesaling, transportation, and retailing services. At the end of the fiscal year, June 30, 1947, the G.L.F. was servicing about 150,000 regular farmer-patrons, or about two farmers out of every three in its service area.

On June 30, 1947, the G.L.F. was serving its patrons through the following types of retail organizations:

<u>Type of retail outlet</u>	<u>Number</u>
G.L.F. retail service stores (including 3 full branches and 4 farm supply departments).....	225
G.L.F. zero food branches.....	4
G.L.F. farm store branches.....	18
G.L.F. farm repair and machine service agencies.....	1
G.L.F. petroleum bulk plants (54 actually operating).....	58
G.L.F. agent buyers.....	348
Independent local cooperatives.....	38
Farmer agents.....	13
Supplementary agents.....	<u>24</u>
Total retail outlets.....	<u><u>729</u></u>

The G.L.F. retail service stores distribute farm supplies to and market farm products for G.L.F. patrons. They have a considerable amount of local autonomy although they are centrally financed and supervised through management contracts which may be canceled at any time by the service stores. The G.L.F. petroleum bulk plants are organized in a similar way except that they are located so that they can perform a specialized petroleum service for patrons over wider areas.

Agent-buyers are private businesses which have been granted a franchise to handle G.L.F. farm supplies in accordance with G.L.F. instructions. The independent local cooperatives are largely locally controlled farmers' marketing associations, which also perform a cooperative

purchasing service. The farmer-agents are generally large individual buyers who occasionally also serve neighboring patrons.

These various types of retail outlets obtain G.L.F. supplies for redistribution under the same wholesale terms through the manufacturing plants and warehouses which the G.L.F. maintains at Buffalo, Albany, and other strategically located terminal centers. They also obtain supplies from other commercial sources.

The value of supplies distributed at wholesale by G.L.F. to these retail outlets for the fiscal years ending June 30, 1946 and 1947 was as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed, flour, and cereals.....	\$69,415,098	\$81,399,605
Fertilizer and lime.....	6,558,242	7,317,334
Seed and seed potatoes ¹	3,999,514	4,179,374
Petroleum products.....	5,074,461	5,910,836
Tires, tubes, and accessories.....	1,030,115	1,461,623
Farm equipment, accessories, and tools.....	2,171,943	3,328,079
Steel products.....	648,158	1,275,594
Lumber, paint, roofing, cement, etc.....	1,506,975	1,687,486
Insecticides, sprays, soap and washing powder, shells, bedding, farm chemicals, etc.....	1,829,995	2,142,685
Rope and twine.....	226,858	521,810
Molasses and cod-liver oil.....	320,917	546,204
Package materials ²	975,551	1,185,955
Miscellaneous ³	217,855	508,530
Total value of supplies distributed at wholesale before elimination of intercompany business.....	\$93,975,682	\$111,465,115
Total value of supplies distributed at wholesale after elimination of estimated intercompany business.....	<u>\$93,611,777</u>	<u>\$111,223,795</u>

The value of services and supplies obtained at retail by farmers through G.L.F. managed retail outlets for the years ending June 30, 1946 and 1947 was as follows:

<u>Source of supplies or services</u>	<u>1946</u>	<u>1947</u>
G.L.F. retail service stores, zero food branches, and farm repair service agencies.	\$68,529,133	\$77,192,342
G.L.F. petroleum bulk plants.....	7,148,838	9,187,241
Total value of services and supplies distributed at retail.....	<u>\$75,677,971</u>	<u>\$86,379,583</u>

¹Does not include allied seed division shipments to non-G.L.F. outlets.

²Includes baskets and crates.

³Includes rubber and canvas, agency supplies, ladders, farm appliances, and other commodities.

During recent years, the G.L.F. has greatly expanded its cooperative marketing services for farm products. In some cases, marketing operations are performed through G.L.F. retail service stores with such special facilities as may be required. In many cases, however, separate facilities such as canning plants are maintained. The following summary shows the types of marketing facilities maintained by G.L.F.:

<u>Type of marketing facilities</u>	<u>Number</u>
Canning plants.....	3
Bean plants.....	3
Flour and cereal plants.....	2
Produce auctions.....	3
Terminal egg sales agencies.....	5
Country egg stations.....	17
Terminal sales agencies for beans, wheat, canned goods, and fresh produce.....	3
Cold storage plants.....	3
Livestock and poultry service unit.....	1
Transportation service unit.....	1

The value of farm products marketed by G.L.F. for the years ending June 30, 1946 and 1947 is shown below:⁴

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Eggs.....	\$5,394,851	\$6,878,571
Fruits and vegetables (including canned goods).....	4,713,913	4,495,165
Grain (including flours and cereals).....	2,208,050	2,108,276
Beans.....	735,116	2,001,209
Hay and straw.....	526,042	541,649
Miscellaneous and unclassified ⁵	190,538	235,980
Purchasing from marketing units (egg cases, seed beans, seed and plants, containers, fertilizer and sprays, storage).....	<u>638,244</u>	<u>835,125</u>
Total value of farm products marketed after elimination of intercompany business.....	<u>\$14,406,754</u>	<u>\$17,113,975</u>

Net savings of the G.L.F. for the years ending June 30, 1946 and 1947 were derived as follows:

<u>Source of net savings</u>	<u>1946</u>	<u>1947</u>
Manufacturing and wholesale operations.....	\$3,175,445	\$3,565,337
G.L.F. retail service stores.....	1,784,922	1,108,847
Petroleum distribution operations.....	97,363	208,556
Marketing of farm products.....	199,628	-245,808
Less intercompany dividends.....	<u>-1,978</u>	<u>-2,163</u>
Total net savings.....	<u>\$5,255,380</u>	<u>\$4,634,769</u>

⁴Includes marketing by service stores.

⁵Includes poultry, livestock, meat, and seed.

These net savings were distributed in the following manner:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Interest on participation certificates.....	\$23,012	\$1,153
Cash dividends on stock.....	582,982	649,442
Patronage refunds in cash.....	4,285,193	3,685,485
Additions to reserves.....	<u>364,193</u>	<u>298,689</u>
Total net savings.....	<u>\$5,255,380</u>	<u>\$4,634,769</u>

The financial condition of the Cooperative G.L.F. Exchange, Inc., and its wholesale subsidiaries as of June 30, 1946 and 1947 is shown in the following condensed consolidated balance sheet:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$17,152,866	\$23,598,017
Fixed assets (net).....	4,158,567	4,838,152
Other assets (investments, etc.).....	<u>2,317,769</u>	<u>1,747,487</u>
Total assets.....	<u>\$23,629,202</u>	<u>\$30,183,656</u>
Liabilities and patrons' equity:		
Current liabilities.....	\$5,576,262	\$12,265,636
Other liabilities.....	700,000	700,000
Reserves for contingent liabilities.....	1,368,702	1,189,922
Capital stock and patrons' equity ⁶	<u>15,984,238</u>	<u>16,028,098</u>
Total liabilities and patrons' equity....	<u>\$23,629,202</u>	<u>\$30,183,656</u>

The following tabulation shows the number and value of facilities owned and operated by the G.L.F. on June 30, 1947:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Feed mills.....	3	\$4,597,117	\$1,581,857
Fertilizer and insecticide plants...	11	1,451,222	838,427
Seed cleaning plants.....	5	565,411	125,215
Wholesale farm supply warehouses....	7	223,682	183,079
Petroleum bulk storage terminals....	2	65,414	47,359
Retail farm supply stores.....	239	5,682,980	3,610,701
Bulk petroleum plants.....	56	891,766	456,840
Package manufacturing.....	1	67,484	46,655
Marketing warehouses and processing plants (includes 3 canning plants)	38	2,065,841	1,657,170
Office buildings.....	1 (group)	572,318	124,241
Miscellaneous.....	4	188,562	151,162
Freezer-locker plants.....	5	<u>368,655</u>	<u>276,307</u>
Total value.....		<u>\$16,740,452</u>	<u>\$9,099,013</u>

⁶Includes reserves for price declines.

On June 30, 1947, G.L.F. had 3,988 employees. Of these, 280 were engaged in general administrative activities, 1,341 in manufacturing, warehousing, and processing operations, 1,825 in retail distribution, and 542 in farm product marketing work. These figures do not include retail employees of independent cooperatives or agent-buyers and their employees who may spend most of their time in distributing G.L.F. farm supplies. The figures for the three operating groups include administrative, accounting, and clerical employees. The marketing group also includes processing employees in canning plants.

SOUTHERN STATES COOPERATIVE, INC.

The Southern States Cooperative, Inc., Richmond, Virginia, was organized on July 21, 1923, as the Virginia Seed Service. It reorganized in 1933 under its present name. At the end of its operating year on June 30, 1947, it was serving approximately 211,000 patrons in Virginia, West Virginia, Kentucky, Maryland, and Delaware. More than 98 percent of its patrons were farmers, and 90 percent were members. A farmer-patron becomes a member by acquiring ownership of a share of stock through the application of patronage refund payments.

On June 30, 1947, the Southern States Cooperative was serving its patrons through the following types of retail organization:

<u>Type of retail outlet</u>	<u>Number</u>
Local affiliated cooperatives:	
Farm supply stores with management contracts.....	87
Farm supply stores without management contracts.....	59
Petroleum service plants with management contracts.....	24
Locker plants with management contracts.....	9
Service agencies (private).....	556
Farmer agents (fertilizer only).....	517

The local affiliated cooperatives with management contracts are separately incorporated cooperative associations which are under the management supervision of Southern States Cooperative. Those without management contracts are independent associations which use the Southern States Cooperative as a wholesale source of supply. The service agencies are private wholesale supply dealers who contract to handle Southern States Cooperative supplies under agreed upon conditions. The farmer agents are individual farmers who pool fertilizer orders and arrange distribution for their neighbors.

In addition to performing a wholesale service for these groups of retail outlets, the Southern States Cooperative produces feed for the Farmers Cooperative Exchange of North Carolina, the Pennsylvania Farm Bureau Cooperative Association, and The Farm Bureau Cooperative Association of Ohio, through jointly owned manufacturing facilities. Similarly, it manufactures fertilizer for the Farmers Cooperative Exchange of North Carolina and the Pennsylvania Farm Bureau Cooperative Association.

The value of supplies distributed at wholesale through the retail outlets enumerated above, plus the value of supplies manufactured for the account of affiliated regional cooperatives, for the fiscal years ending June 30, 1946 and 1947, was as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$28,733,703	\$33,740,473
Fertilizer.....	7,426,853	8,135,005
Seed.....	2,938,555	3,984,379
Petroleum products.....	1,755,344	1,876,266
Auto accessories.....	713,234	795,455
Farm equipment and tools.....	656,415	984,619
Hardware.....	243,541	499,923
Paint and asphalt.....	462,187	674,660
Insecticides, sprays, and chemicals.....	851,560	1,038,331
Steel products.....	804,570	1,614,062
Electrical equipment and appliances.....	282,591	789,634
Miscellaneous.....	306,625	256,209
Total value of supplies distributed at wholesale.....	<u>\$45,173,178</u>	<u>\$54,389,016</u>

The value of supplies distributed at retail by Southern States Cooperative managed retail outlets amounted to \$15,934,067 in 1946 and \$21,252,302 in 1947. The value of eggs marketed by the association for its patrons amounted to \$2,604,829 in 1946 and \$2,626,175 in 1947. Poultry marketing amounted to \$3,557,505 in 1946 and \$3,099,441 in 1947. Grain marketed in 1947 amounted to \$1,036,765. None was reported in 1946.

The combined value of all commodities handled by the Southern States Cooperative, including supplies at wholesale and retail and farm products marketed, amounted to \$67,269,579 in 1946 and \$82,403,699 in 1947.

The total savings from all operations amounted to \$1,757,624 in 1946 and \$1,878,928 in 1947. These savings were distributed in the following way:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$386,936	\$524,905
Patronage refunds in cash.....	224,253	547,026
Patronage refunds paid in capital stock.....	1,008,773	721,419
Amount retained in reserves or unallocated.....	<u>137,662</u>	<u>85,578</u>
Total net savings.....	<u>\$1,757,624</u>	<u>\$1,878,928</u>

The financial condition of the Southern States Cooperative as of June 30, 1946 and 1947, is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$8,414,874	\$11,489,810
Fixed assets.....	5,562,012	8,970,496
Other assets.....	690,926	1,120,296
Total.....	<u>\$14,667,812</u>	<u>\$21,580,602</u>
Liabilities and net worth:		
Current liabilities.....	\$1,666,876	\$2,822,543
Deferred liabilities.....	32,218	3,065,487
Net worth (capital and reserves).....	12,968,718	15,692,572
Total.....	<u>\$14,667,812</u>	<u>\$21,580,602</u>

The following is a tabulation of the number and value of facilities owned and operated by the Southern States Cooperative on June 30, 1947:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Poultry and egg marketing outlets.....	5	\$685,221	\$628,539
Frozen-food locker plants.....	9	547,386	521,626
Feed mills.....	5	2,881,930	2,195,225
Fertilizer plants.....	3	903,026	655,027
Seed cleaning plants and wholesale farm supply warehouses.....	7	1,640,816	1,460,376
Southern States Cooperative retail service stores.....	87	854,839	697,162
Bulk petroleum plants.....	24	682,777	536,973
Oil delivery trucks.....	61	276,489	226,396
Transport trucks.....	57	227,686	165,395
General delivery trucks.....	174	321,116	254,394
Research and analysis laboratory.....	1	13,301	6,336
Total value.....		<u>\$9,034,587</u>	<u>\$7,347,449</u>

On June 30, 1947, the Southern States Cooperative had 2,245 employees. Of these, 321 were engaged in general administrative activities, 1,427 in manufacturing and processing operations or in marketing operations, and 497 in retail distribution.

EASTERN STATES FARMERS' EXCHANGE, INC.

The Eastern States Farmers' Exchange, Inc., with headquarters at West Springfield, Massachusetts, was organized on January 28, 1918. By December 31, 1946,⁷ it was serving over 102,439 patrons located in the six New

⁷Figures for 1947 were not available.

England States, Pennsylvania (except for the northern tier of counties), Delaware, and part of Maryland.

Membership in the Eastern States is determined by patronage. Every farmer who purchases through Eastern States becomes a member and remains a member for 2 years, beginning January 1, after the date of his last purchase. Only 1.7 percent of the 1946⁸ volume of business was with nonfarmers.

The Eastern States serves its patrons through 455 farmer-representatives, through 25 independent cooperative associations that also serve as representatives, and through 75 regional branch warehouses strategically located to supplement local car-door distribution.

The Eastern States is an integrated farmers' cooperative production supply procurement agency. Supplies distributed at wholesale to patrons in 1946 and 1947 were as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed and grain.....	\$49,696,049	\$68,693,229
Field seeds.....	1,399,539	1,745,340
Seed potatoes.....	1,159,778	1,379,123
Vegetable seeds.....	188,766	214,828
Fertilizer and lime.....	2,810,970	3,223,790
Spray materials.....	505,409	791,224
Miscellaneous (roofing, paints, lubricants, etc.).....	829,069	1,056,335
Total value of supplies distributed at wholesale.....	<u>\$56,589,580</u>	<u>\$77,103,869</u>

Net savings of the Eastern States Farmers' Exchange were \$499,296 in 1946 and \$1,453,178 in 1947. These savings were distributed in the following way:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Patronage refunds.....	\$334,528	\$973,630
Amount retained in reserves.....	164,768	479,548
Total net savings.....	<u>\$499,296</u>	<u>\$1,453,178</u>

The financial statements for the Eastern States Farmers' Exchange as of December 31, 1946 and 1947, were as follows:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$9,792,072	\$10,874,028
Fixed assets.....	4,796,602	8,376,814
Other assets.....	278,793	898,939
Total assets.....	<u>\$14,867,467</u>	<u>\$20,149,781</u>
Liabilities and net worth:		
Current liabilities.....	\$5,045,320	\$2,223,288
Fixed indebtedness.....	4,000,000	11,000,000
Net worth (patrons' equity).....	5,822,147	6,926,493
Total liabilities and net worth.....	<u>\$14,867,467</u>	<u>\$20,149,781</u>

⁸Figures for 1947 were not available.

It is significant that all the net worth, or patrons' equity, in this non-stock, farmers' cooperative was accumulated through retained savings. In other words, each patron has contributed to the structure in proportion to the use he has chosen to make of the services provided.

On December 31, 1947, the Eastern States had 1,236 employees, of whom 406 were employed in general administration, 598 in manufacturing and processing, and 232 in distributing through its warehouses. These figures include only employees on the payroll of the organization. They do not include farmer-representatives and employees of cooperatives that distribute supplies for the Eastern States for which local handling charges are paid by members direct to the local representative or agency.

THE FARM BUREAU COOPERATIVE ASSOCIATION, INC. (OHIO)

The Farm Bureau Cooperative Association, Inc., with headquarters at Columbus, Ohio, was organized in its present form on July 31, 1933. At the end of its operating year, December 31, 1947, it was serving 89 member associations which had 200 distribution points in the State of Ohio. These cooperative outlets served 150,000 patrons, of whom 92 per cent were farmers.

The value of supplies distributed at wholesale by The Farm Bureau Cooperative Association, Inc., during 1946 and 1947 is shown in the following summary:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$8,329,554	\$11,410,375
Fertilizer.....	3,233,872	3,857,233
Seed and seed potatoes.....	1,646,534	1,219,907
Gas, oil, and grease.....	5,843,348	6,331,995
Tires, tubes, and other accessories.....	254,439	261,641
Farm machinery.....	1,506,128	2,232,409
Farm equipment.....	120,868	340,227
Steel products.....	939,126	1,905,269
Lumber, paint, and other maintenance equipment.....	1,072,020	1,397,071
Insecticides.....	303,377	375,738
Electrical equipment and appliances.....	395,646	805,202
Twine.....	93,916	-
Coal.....	332,575	367,082
Miscellaneous farm supplies.....	1,514,136	1,322,725
Total value of supplies distributed at wholesale	⁹ \$25,585,527	¹⁰ \$31,826,874

⁹Includes \$71,093 intercompany transactions.

¹⁰Includes \$70,935 intercompany transactions.

The value of farm products marketed through The Farm Bureau Cooperative Association, Inc., amounted to the following:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Grain.....	\$10,072,298	\$13,778,815
Eggs.....	<u>1,808,554</u>	<u>1,822,804</u>
Total value of farm products marketed.....	<u>\$11,880,852</u>	<u>\$15,601,619</u>

The total net savings from all operations amounted to \$1,501,276 in 1946 and \$1,855,202.53 in 1947. The distribution of these savings was as follows:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$120,971	\$194,465
Cash patronage refunds.....	20,077	9,176
Patronage refunds in capital stock.....	874,700	1,095,000
Amount retained in reserves.....	<u>485,528</u>	<u>556,561</u>
Total net savings.....	<u>\$1,501,276</u>	<u>\$1,855,202</u>

The financial condition of The Farm Bureau Cooperative as of December 31, 1946 and 1947 is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$8,051,361	\$10,216,004
Fixed assets.....	1,784,237	2,249,059
Other assets.....	<u>2,060,411</u>	<u>3,226,208</u>
Total assets.....	<u>\$11,896,009</u>	<u>\$15,691,271</u>
Liabilities and net worth:		
Current liabilities.....	\$4,989,944	\$5,929,859
Other liabilities.....	920,000	1,916,284
Net worth (capital and reserves).....	<u>5,986,065</u>	<u>7,845,128</u>
Total liabilities and net worth.....	<u>\$11,896,009</u>	<u>\$15,691,271</u>

Fifty-two percent of the net worth was accumulated through the sale of stock and 48 percent was built up by savings.

The principal operating facilities owned and operated by The Farm Bureau cooperative at the close of the 1947 fiscal year are listed below:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Feed mills.....	5	\$880,860	\$619,226
Fertilizer plants.....	4	585,904	342,531
Wholesale farm supply warehouses...	5	188,753	157,285
Transport trucks.....	4	44,147	17,699
Oil delivery trucks.....	15	179,606	99,007
Total value.....		<u>\$1,879,270</u>	<u>\$1,235,748</u>

In addition to the facilities listed, the association has invested \$1,106,000 in feed, fertilizer, petroleum processing, and other facilities jointly owned with other cooperative associations.

As of December 31, 1947, The Farm Bureau Cooperative Association, Inc., had 557 employees. Of this number, 162 were engaged in general administration, 340 in manufacturing and processing, and 55 in wholesale distribution.

CONSUMERS COOPERATIVE ASSOCIATION

The Consumers Cooperative Association, Kansas City, Missouri, was organized in 1929. At the end of its operating year, August 31, 1947, it served 1,195 member and 565 nonmember associations in Missouri, Kansas, Oklahoma, Nebraska, Iowa, Colorado, North Dakota, South Dakota, Utah, and Wyoming. These associations, in turn, served approximately 280,000 patrons, of whom about 98 percent were farmers.

The value of supplies distributed at wholesale by the Consumers Cooperative Association is shown in the following summary for the fiscal years ending August 31, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Petroleum products.....	\$18,086,889	\$25,771,464
Tires, tubes, and accessories.....	1,638,592	2,589,746
Paint.....	175,335	327,344
Twine.....	109,409	237,231
Spray.....	18,580	50,061
Feed.....	2,840,083	3,343,539
Fertilizer.....	2,356	148,214
Coal.....	10,323	9,066
Machinery.....	504,757	1,082,148
Wire and steel.....	284,523	326,985
Lumber and roofing.....	729,624	1,680,468
Groceries.....	1,009,131	1,127,713
Appliances.....	293,000	818,335
Miscellaneous ¹¹	366,427	978,516
Total value of supplies distributed at wholesale.....	<u>\$26,069,029</u>	<u>\$38,490,830</u>

¹¹Service station equipment and farm supplies.

On August 31, 1947, the Consumers Cooperative Association was serving 9,200 member patrons direct through facilities operated by its retail department. The dollar volume for this department increased from \$420,787 in 1946 to \$580,126 in 1947.

The net savings of the Consumers Cooperative Association were as follows for the fiscal years ending August 31, 1946 and 1947:

<u>Net savings</u>	<u>1946</u>	<u>1947</u>
Wholesale.....	\$551,297	\$1,115,404
Retail.....	<u>10,777</u>	<u>9,943</u>
Total net savings.....	<u>\$562,074</u>	<u>\$1,125,347</u>

The Consumers Cooperative Association now employs two subsidiary corporations to perform manufacturing services - the Cooperative Refinery Association and the Bridgeport Oil Company. Two former subsidiaries, the Cooperative Oil Producing Association and the Cooperative Pipe Line Association, were discontinued on May 2, 1945 and August 31, 1947, respectively.

The common stock of each subsidiary organization is owned by the Consumers Cooperative Association. Its directors are also the directors of the subsidiary corporations. Savings of the subsidiaries after reserves have been created and dividends paid on common and preferred stock accrue to the Consumers Cooperative Association. For that reason, the full financial condition of the enterprise controlled by the Consumers Cooperative Association can only be shown by combining the financial statements of the Consumers Cooperative Association with those of its subsidiary corporations.

The composite balance sheet of the Consumers Cooperative Association and its subsidiaries for the years ending August 31, 1946 and 1947 was as follows:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$7,779,276	\$9,583,867
Fixed assets.....	6,684,690	9,774,815
Other assets.....	<u>1,989,195</u>	<u>5,445,946</u>
Total assets.....	<u>\$16,453,161</u>	<u>\$24,804,628</u>
Liabilities and net worth:		
Current liabilities.....	\$2,826,149	\$4,744,905
Other liabilities.....	4,076,747	6,191,085
Net worth.....	<u>9,550,265</u>	<u>13,868,638</u>
Total liabilities and net worth.....	<u>\$16,453,161</u>	<u>\$24,804,628</u>

The combined dollar volume of the Consumers Cooperative Association, the Cooperative Refinery Association, and the Cooperative Pipe Line Association for the years ending August 31, 1946 and 1947, was as follows:

	<u>1946</u>	<u>1947</u>
Consumers Cooperative Association.....	\$26,172,853	\$38,419,089
Cooperative Refinery Association.....	20,618,889	28,129,660
Cooperative Pipe Line Association.....	<u>1,841,501</u>	<u>3,149,743</u>
Total dollar volume.....	<u>\$48,633,243</u>	<u>\$69,698,492</u>

The following summary shows the combined net savings of the Consumers Cooperative Association and its subsidiaries for the years ending August 31, 1946 and 1947:

	<u>1946</u>	<u>1947</u>
Consumers Cooperative Association.....	\$562,074	\$1,125,347
Cooperative Refinery Association.....	1,124,726	2,734,282
Cooperative Pipe Line Association.....	<u>-21,501</u>	<u>-52,798</u>
Total net savings.....	<u>\$1,665,299</u>	<u>\$3,806,831</u>

These savings were distributed in the following manner for the 2 years:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$80,754	\$117,219
Patronage refunds in cash.....	31,376	51,999
Patronage refunds in share capital.....	71,422	810,805
Additions to reserves.....	250,195	1,134,450
Deferred patronage refunds and revolving fund.	<u>1,231,552</u>	<u>1,692,358</u>
Total net savings.....	<u>\$1,665,299</u>	<u>\$3,806,831</u>

The Consumers Cooperative Association and its subsidiary corporations had 2,111 employees on August 31, 1947; 446 were employed in general administration, 1,183 in manufacturing and processing,¹² 300 in whole-sale distribution, and 182 in retail distribution.

INDIANA FARM BUREAU COOPERATIVE ASSOCIATION, INC.

The Indiana Farm Bureau Cooperative Association, Inc., with headquarters at Indianapolis, Indiana, was organized in its present form in February, 1927. At the end of its operating year, December 31, 1947, it was serving 85 county farm bureau cooperative associations in Indiana¹³ and one in Kentucky. These 86 associations distribute supplies to approximately 130,000 patrons, 95 percent of whom are farmers.

¹²141 were employed in canning operations during canning season only.

¹³Many of these county cooperative also render marketing service for grain, wool, poultry, eggs, and other products through related State Farm Bureau marketing associations.

Supplies distributed at wholesale by the Indiana Farm Bureau Cooperative Association, Inc., during 1946 and 1947 were as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$3,522,002	\$5,234,688
Fertilizer.....	2,637,827	3,056,259
Seed.....	1,035,851	1,139,243
Gas, oil, and grease.....	5,820,486	8,409,177
Tires, tubes, and other accessories.....	514,530	309,501
Farm machinery.....	2,466,080	3,088,548
Farm equipment.....	308,295	396,779
Steel products.....	2,733,788	3,070,042
Lumber, paint, and other maintenance equipment.....	4,401,952	4,047,485
Insecticides.....	106,443	121,247
Electrical equipment and appliances.....	528,635	841,859
Twine.....	47,472	68,315
Coal.....	966,410	1,673,460
Chicks, eggs, and poultry.....	217,912	215,931
Miscellaneous.....	623,414	787,936
Total value of supplies distributed at wholesale.....	<u>\$25,931,097</u>	<u>\$32,460,470</u>

The farm products marketed by the association in 1947 included poultry and eggs. These were marketed during only the one year. Their total value was \$390,531.

The total net savings on all operations amounted to \$1,784,971 in 1946 and \$2,915,049 in 1947. Savings were distributed as follows:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$205,058	\$287,102
Patronage refunds in cash.....	1,433,220	2,102,358
Amount retained in reserves.....	146,693	525,589
Total net savings..... ¹⁴	<u>\$1,784,971</u>	<u>\$2,915,049</u>

¹⁴The 1946 figures were adjusted to make them comparable to those for 1947. In 1947, the association treated surplus or other prior year adjustments as income and expense during the current year.

The financial condition of the Indiana Farm Bureau Cooperative Association, Inc., as of December 31, 1946 and 1947, is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$5,373,621	\$5,873,263
Fixed assets.....	2,510,043	3,029,244
Other assets.....	3,378,777	4,336,630
Total assets.....	<u>\$11,262,441</u>	<u>\$13,239,137</u>
Liabilities and net worth:		
Current liabilities.....	\$2,734,597	\$1,067,415
Other liabilities.....	95,621	45,774
Net worth (capital and reserves).....	8,432,223	12,125,948
Total liabilities and net worth.....	<u>\$11,262,441</u>	<u>\$13,239,137</u>

On December 31, 1947, 79.9 percent of the net worth represented retained savings; the remaining 20.1 percent had been accumulated through the sale of stock.

At the close of 1947, the Indiana Farm Bureau Cooperative Association, Inc., owned and operated the following principal facilities:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Fertilizer plants.....	1	\$869,433	\$758,781
Seed cleaning plants.....	1	49,018	34,841
Wholesale farm supply warehouses....	1	352,878	338,473
Petroleum refinery.....	1	1,754,154	1,357,417
Transport trucks.....	22	177,641	65,572
General delivery trucks.....	16	19,860	6,760
Barge and towboat.....	2	124,146	80,285
Total value.....		<u>\$3,347,130</u>	<u>\$2,642,129</u>

In addition to the above, the association held investments of approximately \$2,014,000 in facilities jointly owned with other cooperative associations.

At the close of the 1947 season the association had 589 employees of whom 228 were engaged in general administrative activities, 226 in manufacturing and processing, and 135 in wholesale distribution work.

ILLINOIS FARM SUPPLY COMPANY

The Illinois Farm Supply Company, with headquarters in Chicago, was organized in 1927. At the end of its operating year on August 31, 1947, it was providing a wholesale farm supply service for 161 member associations throughout the State of Illinois.¹⁵ The member associations, in turn, served about 145,000 patrons, of whom approximately 97 percent were farmers. Member associations must operate under the Capper-Volstead Act and the Agricultural Cooperative Act of Illinois. They must also be engaged wholly or partly in cooperative distribution of farm supplies.

¹⁵Eighty-two of the member associations are cooperative petroleum service companies that operate over county-wide areas. The remaining 79 are farmers' cooperatives of various types.

The value of supplies distributed at wholesale by the Illinois Farm Supply Company during the fiscal years ending August 31, 1946 and 1947 was as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$2,444,553	\$4,659,714
Fertilizer.....	1,733,464	2,820,862
Petroleum products.....	12,259,363	17,093,453
Tires, tubes, and accessories.....	1,120,859	1,355,742
Farm equipment.....	164,138	619,121
Steel products.....	418,626	530,263
Lumber, paint, and other maintenance equipment	750,547	1,188,133
Insecticides.....	102,492	120,633
Electrical equipment.....	147	168
Twine.....	50,201	77,612
Miscellaneous ¹⁶	2,134,224	2,895,428
Total value of supplies distributed at wholesale.....	<u>\$21,178,614</u>	<u>\$31,361,129</u>

The total net savings from all operations amounted to \$1,431,003 in 1946 and \$2,203,921 in 1947. These savings were distributed for the 2 years in the following way:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$63,083	\$75,600
Patronage refunds in cash.....	1,094,336	1,809,073
Additions to reserves.....	273,584	319,248
Total net savings.....	<u>\$1,431,003</u>	<u>\$2,203,921</u>

The financial condition of the Illinois Farm Supply Company as of August 31, 1946 and 1947 was as follows:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$3,472,741	\$4,801,205
Fixed assets.....	680,388	889,518
Other assets.....	151,063	230,005
Total assets.....	<u>\$4,304,192</u>	<u>\$5,920,728</u>
Liabilities and net worth:		
Current liabilities.....	\$1,592,880	\$2,532,584
Other liabilities.....	298,183	233,561
Net worth (capital and reserves).....	2,413,129	3,154,583
Total liabilities and net worth.....	<u>\$4,304,192</u>	<u>\$5,920,728</u>

¹⁶Miscellaneous figures in both 1946 and 1947 include the gross freight income of the transportation department.

On August 31, 1947, 45 percent of the net worth had been accumulated through the sale of stock while 55 percent represented retained savings.

The type and value of the principal operating facilities owned by the Illinois Farm Supply Company as of August 31, 1947 was as follows:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Marine terminal bulk petroleum plants	2	\$234,373	\$163,819
Transport trucks.....	27	327,471	186,417
Barges.....	6	181,909	146,521
Towboats.....	2	186,131	125,692
Laboratory.....	1	11,679	8,419
Tire recapping plant.....	1	13,553	4,152
Other operating facilities.....	-	314,392	254,498
Total value.....		<u>\$1,269,508</u>	<u>\$889,518</u>

As of August 31, 1947, the Illinois Farm Supply Company had 238 employees; 103 were engaged in general administration and 135 in wholesale distribution.

FARMERS UNION CENTRAL EXCHANGE, INC.

The Farmers Union Central Exchange, Inc., with headquarters at St. Paul, Minnesota, was organized in 1931. At the end of its 1947 fiscal year, December 31, 1947, it was serving 425 active member associations with approximately 185,000 patrons, 90 percent of whom were farmers. It was also serving 200 nonmember associations with 150,000 patrons, 80 percent of whom were farmers. The Exchange operates in North Dakota, South Dakota, Montana, Minnesota, Wisconsin, Idaho, and Wyoming.

Supplies distributed at wholesale by the Farmers Union Central Exchange, Inc. during 1946 and 1947 were as follows:

	<u>1946</u>	<u>1947</u>
Feed, seed, flour, and fertilizer.....	\$1,528,513	\$2,522,295
Gas, oil, and grease.....	11,817,841	17,166,506
Tires, tubes, and other accessories.....	3,264,710	3,188,323
Farm machinery.....	1,700,976	1,380,598
Steel products.....	242,068	321,053
Lumber, paint, and other maintenance equipment	591,808	1,432,174
Hardware and building equipment.....		794,275
Insecticides.....	41,095	22,629
Electrical equipment and appliances.....	499,089	734,720
Twine.....	216,928	259,232
Coal.....	26,285	21,165
Groceries.....	227,953	190,115
Miscellaneous.....	246,065	484,241
Total value of supplies distributed at wholesale.....	<u>\$20,403,331</u>	<u>\$28,517,326</u>

The total net savings on supply operations amounted to \$1,956,991 in 1946 and \$2,428,512 in 1947. In addition, savings in the form of stock and stock credits from other cooperatives amounted to \$19,139 in 1946 and \$588,744 in 1947. The net savings totaled \$1,976,130 for 1946 and \$3,017,256 for 1947. These savings were distributed in the following manner:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash.....	\$84,788	\$113,473
Educational fund.....	94,281	137,643
Patronage refunds in capital stock.....	1,269,476	1,891,668
Amount retained in reserves.....	447,613	734,046
Employees' savings-sharing fund.....	79,972	140,426
Total net savings.....	<u>\$1,976,130</u>	<u>\$3,017,256</u>

The financial condition of the Farmers Union Central Exchange, Inc., as of December 31, 1946 and 1947, is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$4,658,035	\$7,184,931
Fixed assets.....	1,927,594	2,078,325
Other assets.....	44,339	310,881
Investments.....	2,000,946	2,940,977
Total assets.....	<u>\$8,630,914</u>	<u>\$12,515,114</u>
Liabilities and net worth:		
Current liabilities.....	\$1,956,218	\$3,215,665
Non-current liabilities.....	-	100,794
Net worth (capital and reserves).....	6,674,696	9,198,655
Total liabilities and net worth.....	<u>\$8,630,914</u>	<u>\$12,515,114</u>

The Farmers Union Central Exchange, Inc., owned and operated the following facilities at the close of 1947:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Wholesale farm supply warehouses....	5	\$173,779	\$136,616
Oil blending plant and main building	1	713,598	630,269
Oil blending equipment.....	-	68,010	33,854
Auto and trucks.....	-	52,256	45,206
Furniture and fixtures.....	-	145,396	89,554
Refinery property.....	1	1,368,972	786,325
Bulk plant and equipment.....	-	31,904	21,164
Bottle gas plants and equipment.....	-	120,191	115,167
Other facilities.....	-	240,991	220,170
Total value.....		<u>\$2,915,097</u>	<u>\$2,078,325</u>

On December 31, 1947, the Farmers Union Central Exchange, Inc., had 444 employees engaged in wholesale distribution, refining, and production.

FARMERS COOPERATIVE EXCHANGE, INC.

The Farmers Cooperative Exchange, Inc., known as F.C.X., with headquarters at Raleigh, North Carolina, was organized on March 12, 1934. It serves approximately 64,000 patrons in North Carolina and South Carolina, almost all of whom are farmers.¹⁷

The F.C.X. distributes supplies through 41 F.C.X. centrally managed retail service stores, 34 independent cooperative associations, 171 private dealer agencies, and 11 farmer "order takers" for fertilizer.

Supplies distributed at wholesale by the F.C.X. were as follows for the years ending June 30, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feeds.....	\$3,929,609	\$4,914,936
Fertilizer.....	883,275	1,118,539
Seed.....	882,933	1,576,130
Steel.....	327,104	1,156,686
Paint.....	21,990	63,933
Farm machinery.....	-	328,664
Electrical appliances.....	-	190,386
Oil, tires, and tubes.....	-	65,091
Sprays and dusts.....	-	581,053
Miscellaneous.....	¹⁸ 2,614,959	3,133,240
Total value of supplies distributed at wholesale.....	<u>\$8,659,870</u>	<u>\$13,128,658</u>

The value of supplies distributed at retail by F.C.X.-managed retail outlets amounted to \$6,531,779 in 1946, and \$9,105,707 in 1947.

The value of farm products marketed by the F.C.X. was as follows for 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Seeds.....	\$872,202	\$1,159,299
Eggs, poultry, livestock, and miscellaneous ..	384,627	612,020
Total value of farm products marketed ...	<u>\$1,256,829</u>	<u>\$1,771,319</u>

The total net savings of the combined operations of the F.C.X. amounted to \$352,443 at the end of the fiscal year June 30, 1946, and \$614,071 at the end of the fiscal year June 30, 1947. These savings were distributed in the following way:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$45,581	\$57,669
Cash patronage refunds (by Mecklenburg FCX) ..	12,896	19,222
Patronage refunds in capital stock.....	288,937	426,118
Amount retained in reserves.....	5,029	111,062
Total net savings.....	<u>\$352,443</u>	<u>\$614,071</u>

¹⁷The F.C.X. is closely related to the North Carolina Cotton Growers Cooperative Association. The boards of directors interlock and the same general manager serves both organizations. The cotton handled by the North Carolina Cotton Growers Association was valued at approximately \$8,574,815 during the 1946 season and \$9,000,000 during the 1947 season. The association's net worth as of June 30, 1946 totaled \$606,517 and as of June 30, 1947, \$651,895.

¹⁸Includes farm machinery, electrical appliances, oil, tires, tubes, sprays, and other supplies.

The financial condition of the F.C.X. as of June 30, 1946 and 1947 is shown in the following condensed financial statement.

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$1,447,255	\$2,442,417
Fixed assets (depreciated).....	258,063	510,713
Other assets.....	378,572	641,048
Total assets.....	<u>\$2,083,890</u>	<u>\$3,594,178</u>
Liabilities and net worth:		
Current liabilities.....	\$119,725	\$1,027,382
Net worth (capital and reserves).....	1,964,165	2,566,796
Total liabilities and net worth.....	<u>\$2,083,890</u>	<u>\$3,594,178</u>

The F.C.X. and Southern States Cooperative, Inc., jointly own a cooperative feed mill at Statesville, North Carolina. They jointly manufacture feed at cooperative mills in Norfolk and Roanoke, Virginia, and fertilizer at a cooperative fertilizer plant in Norfolk. The F.C.X. investment in these facilities on June 30, 1947 amounted to \$402,332. The F.C.X. also owns 14 seed-cleaning plants and 61 general delivery trucks.

At the close of the 1947 fiscal year the F.C.X. had 370 employees, 70 engaged in general administration, 225 in retail distribution, and 35 in wholesale distribution.

MIDLAND COOPERATIVE WHOLESALE

The Midland Cooperative Wholesale, with headquarters at Minneapolis, Minnesota, was organized on September 8, 1926. At the end of its operating year on December 31, 1947, it was serving 509 member associations with 220,000 patrons, 95 percent of whom were farmers. It was also serving 100 nonmember associations with 11,000 patrons, 90 percent of whom were farmers. The association operates throughout Minnesota except for the northeastern quarter. It also operates throughout Wisconsin except for the extreme north and northwest, in northern Iowa, and in the extreme eastern part of the Dakotas.

The value of supplies distributed at wholesale by the Midland Cooperative Wholesale in 1946 and 1947 was as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed, flour, and middlings.....	\$1,326,904	\$1,988,686
Fertilizer.....	495,297	1,370,372
Seed.....	445,826	688,121
Gas, oil, and grease.....	7,818,321	11,383,499
Tires, tubes, and accessories.....	1,543,071	1,919,182
Farm machinery.....	293,126	796,716
Equipment.....	223,615	642,839
Steel products.....	310,216	411,343
Paint, etc.....	159,269	201,462
Insecticides.....	17,818	13,387
Electrical equipment.....	1,445,382	1,385,467
Coal.....	61,424	120,048
Groceries and dry goods.....	1,324,122	1,542,295
Hardware.....	320,500	426,953
Miscellaneous.....	8,220	6,519
Total value of products distributed at wholesale.....	<u>\$15,793,111</u>	<u>\$22,896,889</u>

The total net savings on supply operations, after income tax, amounted to \$528,333 in 1946 and \$1,026,708 in 1947. These savings were distributed in the following manner:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$74,538	\$112,790
Patronage refunds in capital stock.....	408,416	822,526
Amount retained in unallocated surplus.....	<u>45,379</u>	<u>91,392</u>
Total net savings after all income taxes, Federal and State.....	<u>\$528,333</u>	<u>\$1,026,708</u>

The financial condition of the Midland Cooperative Wholesale as of December 31, 1946 and 1947, is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$3,355,631	\$4,750,914
Fixed assets.....	2,517,836	2,576,220
Other assets.....	<u>1,929,817</u>	<u>2,683,951</u>
Total assets.....	<u>\$7,803,284</u>	<u>\$10,011,085</u>
Liabilities and net worth:		
Current liabilities.....	\$1,735,353	\$1,789,123
Other liabilities.....	1,887,200	2,370,600
Net worth (capital and reserves).....	<u>4,180,731</u>	<u>5,851,362</u>
Total liabilities and net worth.....	<u>\$7,803,284</u>	<u>\$10,011,085</u>

On December 31, 1947, the Midland Cooperative Wholesale owned and operated the following principal facilities:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Crude oil properties.....		\$1,702,215	\$1,342,433
Refinery (complete).....	1	898,516	590,067
Oil blending plants and bulk petroleum plants and warehouses	2	538,796	385,027
Transport trucks and trailers.....	4	31,929	23,300
Feed mill.....	1	75,801	58,085
Other properties.....		<u>184,252</u>	<u>177,308</u>
Total value.....		<u>\$3,431,509</u>	<u>\$2,576,220</u>

Investments by Midland in other production and operating facilities made jointly with other cooperatives were as follows at the end of 1947:

<u>Type of facility</u>	<u>Amount invested</u>
Fertilizer, feed, and seed processing.....	\$835,763
Shingle mill and timber.....	19,727
Refinery and pipe line.....	1,058,175
Farm machinery factories.....	136,800
Soybean mill.....	69,919
Properties of National Cooperatives, Inc. (including milking machine factory).....	358,462
Coal mine.....	<u>100,000</u>
Total investments.....	<u>\$2,578,846</u>

At the close of the 1947 operating season, the Midland Cooperative Wholesale had 334 employees engaged in general administration and whole-sale distribution and 106 in production.

FRUIT GROWERS SUPPLY COMPANY

The Fruit Growers Supply Company, Los Angeles, California, organized in October 1907, is the oldest major farmers' cooperative purchasing association. It serves 190 member citrus fruit packing-house associations with 14,000 farmer-members in the citrus districts of California and Arizona. Although separately incorporated and managed, it is in fact the supply department for California Fruit Growers Exchange members.

Supplies distributed at wholesale by the Fruit Growers Supply Company during 1946 and 1947 were as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Fertilizer.....	\$3,203,869	\$2,573,981
Miscellaneous orchard supplies.....	549,667	623,038
Insecticides.....	1,534,013	1,794,386
Box shook, tissue paper wraps, and other packing supplies.....	<u>14,421,596</u>	<u>16,715,776</u>
Total value of supplies distributed at wholesale.....	<u>\$19,709,145</u>	<u>\$21,707,181</u>

The total patronage refunds on these operations amounted to \$1,617,802 in 1946, and \$2,264,010 in 1947. All were distributed in cash.

The financial condition of the Fruit Growers Supply Company as of December 31, 1946 and 1947 is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$7,027,613	\$7,750,249
Fixed and other assets.....	12,953,866	12,800,673
Total assets.....	<u>\$19,981,479</u>	<u>\$20,550,922</u>
Liabilities and net worth:		
Current liabilities.....	\$6,460,358	\$7,752,237
Other liabilities.....	7,512,784	6,675,217
Net worth (capital and reserves).....	6,008,337	6,123,468
Total liabilities and net worth.....	<u>\$19,981,479</u>	<u>\$20,550,922</u>

The Fruit Growers Supply Company owns and operates three lumber and box shock manufacturing plants.

On December 31, 1947, the company had approximately 2,698 employees.

PACIFIC SUPPLY COOPERATIVE

The Pacific Supply Cooperative, with headquarters at Walla Walla, Washington, was organized December 19, 1933. At the close of its operating year on December 31, 1947, it was serving 119 member cooperative associations in Oregon, Washington, Idaho, and northwest Wyoming, with 50,000 patrons, 98 percent of whom were farmers. It also served 123 non-member associations with 10,000 patrons, of whom 60 percent were farmers.

The Pacific Supply Cooperative distributed the following supplies at wholesale during 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Fertilizer.....	\$263,068	\$502,411
Feed.....	3,537,803	4,821,584
Seed.....	829,634	1,351,994
Gas, oil, grease, and fuel oil.....	4,402,227	6,171,754
Tires, tubes, and other accessories.....	717,722	611,730
Farm machinery and parts.....	467,175	655,287
Steel products	408,551	437,738
Lumber, paint, and other maintenance equipment.....	171,838	213,051
Insecticides.....	440,647	394,209
Electrical equipment and appliances.....	166,750	305,813
Twine.....	31,213	55,734
Coal.....	7,447	2,071
Hardware.....	555,234	308,566
Farm appliances and irrigation supplies...	-	429,653
Transportation.....	205,136	362,779
Miscellaneous.....	48,249	112,186
Total value of supplies distributed at wholesale.....	<u>¹⁹\$12,252,694</u>	<u>¹⁹\$16,736,554</u>

¹⁹Includes a small amount of some retail operations.

In addition to the wholesale supply operations, supplies were distributed direct to individuals through retail outlets. The value of supplies distributed at retail amounted to \$336,635 in 1946 and \$766,895 in 1947.

Total net savings amounted to \$713,437 in 1946 and \$915,868 in 1947. The distribution of these savings was made in the following manner:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Patronage refunds in certificates of indebtedness.....	\$556,481	\$728,115
Amount retained in reserves.....	<u>156,956</u>	<u>187,753</u>
Total net savings.....	<u>\$713,437</u>	<u>\$915,868</u>

The financial condition of the Pacific Supply Cooperative as of December 31, 1946 and 1947 is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$2,942,200	\$4,224,497
Facilities and investments.....	1,279,133	1,372,325
Other assets.....	<u>141,554</u>	<u>241,108</u>
Total assets.....	<u>\$4,362,887</u>	<u>\$5,837,930</u>
Liabilities and net worth:		
Current liabilities.....	\$1,404,060	\$2,172,862
Other liabilities.....	314,762	213,396
Net worth (capital and reserves).....	<u>2,644,065</u>	<u>3,451,672</u>
Total liabilities and net worth.....	<u>\$4,362,887</u>	<u>\$5,837,930</u>

On December 31, 1947, the Pacific Supply Cooperative owned and operated the following principal facilities:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Wholesale farm supply warehouses...	5	\$273,616	\$236,137
Seed and feed plants.....	10	533,551	431,845
Chemical plants.....	1	196,918	177,232
Transport trucks.....	16	192,995	113,658
Office.....	1	<u>61,488</u>	<u>39,852</u>
Total value.....		<u>\$1,258,568</u>	<u>\$998,724</u>

In addition to the above, the association held investments of \$281,222 in facilities jointly owned with other cooperative associations.

At the close of 1947, the Pacific Supply Cooperative had 250 employees, 85 of whom were engaged in general administration and 165 in wholesale distribution.

FARM BUREAU SERVICES, INC.

Farm Bureau Services, Inc., with headquarters at Lansing, Michigan, was organized on October 25, 1929 to provide a cooperative wholesale farm supply service for farmers' cooperative associations in Michigan. At the end of its fiscal year on August 31, 1947, this organization provided supply service to some 100,000 patrons through 153 member associations,²⁰ 38 nonmember associations, and 200 private dealer outlets. Farmers represented approximately 90 percent of the patrons of these retail outlets.

The value of supplies distributed at wholesale by Farm Bureau Services, Inc., was as follows for the fiscal years ending August 31, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$2,275,825	\$2,447,319
Fertilizer.....	1,030,233	1,184,212
Seed.....	709,649	1,074,520
Petroleum products, tires, tubes, and accessories.....	1,291,675	2,060,409
Steel products.....	896,745	1,311,505
Lumber, paint, and other maintenance equipment..	129,904	199,578
Insecticides.....	290,421	362,378
Machinery, electrical equipment, and appliances ²¹	1,535,903	2,462,567
Coal.....	97,468	112,431
Total value of supplies distributed at wholesale.....	<u>\$8,257,823</u>	<u>\$11,214,919</u>

In addition to the wholesale supply operations, supplies were distributed direct to individuals through 11 branch retail outlets. The value of supplies distributed at retail amounted to \$2,479,057 in 1946 and \$3,197,018 in 1947.

While Farm Bureau Services, Inc., is primarily a cooperative purchasing association, it also marketed farm products during the years ending August 31, 1946 and 1947 as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Grain.....	\$528,190	\$739,257
Beans and potatoes.....	194,688	480,724
Eggs and poultry.....	130,946	117,244
Fruit.....	133,179	4,960
Total value of farm products marketed.....	<u>\$987,003</u>	<u>\$1,342,185</u>

²⁰ 19 of the member associations were managed by Farm Bureau Services, Inc., under management contracts.

²¹ Includes binder twine.

The total net savings of the organization for the fiscal years 1946 and 1947 were as follows:

<u>Net savings</u>	<u>1946</u>	<u>1947</u>
On wholesale supply sales.....	\$306,105	\$208,347
On retail supply sales.....	58,481	58,557
On marketing sales.....	12,492	10,824
Total net savings.....	<u>\$377,078</u>	<u>\$277,728</u>

These savings were distributed as follows:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$42,208	\$33,646
Patronage refunds in capital stock.....	334,870	244,082
Total net savings.....	<u>\$377,078</u>	<u>\$277,728</u>

The financial condition of Farm Bureau Services, Inc., as of August 31, 1946 and 1947, is shown by the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$1,942,199	\$2,495,010
Fixed assets.....	581,529	990,726
Other assets.....	²² 999,579	501,352
Total assets.....	<u>\$3,523,307</u>	<u>\$3,987,088</u>
Liabilities and net worth:		
Current liabilities.....	\$1,007,953	\$1,089,393
Fixed indebtedness.....	²³ 917,660	1,475,730
Net worth (capital and reserves).....	1,597,694	1,421,965
Total liabilities and net worth.....	<u>\$3,523,307</u>	<u>\$3,987,088</u>

The value of the principal operating facilities owned by the Farm Bureau Services, Inc., as of August 31, 1947, was as follows:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Wholesale farm supply warehouse ²⁴	6	\$211,677	\$187,932
Seed cleaning plant.....	1	57,209	43,978
Retail farm supply branches ²⁴	11	266,332	195,073
General delivery truck and cars.....	37	55,191	38,092
Bulk petroleum plants ²⁵	2	8,920	4,856
Supply stores and elevators ²⁵	1	24,356	12,488
Office and other equipment.....		45,409	30,048
Transportation department trucks and trailers, tractor-trailer units...	19	132,599	103,995
Temporary office building.....	1	20,053	17,787
Bulk petroleum plant.....	1	10,160	8,450
Vacant property for future expansion.	1	15,150	15,150
Dust mixing plant.....	1	29,635	27,150
Fertilizer manufacturing plant ²⁶	1	294,606	294,606
Transportation department garage ²⁶ ..	1	11,120	11,120
Total value.....		<u>\$1,182,417</u>	<u>\$990,725</u>

²²This item includes \$683,020 proceeds from the sale of 4 percent 10-year debentures earmarked for the construction of fertilizer manufacturing facilities.

²³Represents liability on debentures.

²⁴Four units are combination wholesale and retail units. Cost and depreciated values have been divided according to use.

²⁵Leased to local associations managed by Farm Bureau Services.

²⁶In process of construction.

At the end of its fiscal year on August 31, 1947, Farm Bureau Services, Inc., had 360 employees, classified as follows:

(a)	In general administration	61
(b)	In manufacturing and processing (seed)	7
(c)	In wholesale distribution	97
(d)	In retail distribution	129
(e)	In contractual service for affiliated Michigan Farm Bureau	66

PENNSYLVANIA FARM BUREAU COOPERATIVE ASSOCIATION

The Pennsylvania Farm Bureau Cooperative Association, with headquarters at Harrisburg, Pennsylvania, was organized in 1934. At the close of 1947, it was serving 29 member associations with 52,000 patrons of whom 90 percent were farmers. Its service area comprises 53 counties in the State of Pennsylvania.

Supplies distributed at wholesale by the Pennsylvania Farm Bureau Cooperative Association were as follows for the years ending December 31, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed	\$4,987,676	\$6,550,007
Fertilizer	1,032,944	1,191,124
Seed	835,762	811,699
Gas, oil, and grease	2,417,573	3,451,397
Tires, tubes, and other accessories	104,991	252,649
Farm machinery	52,200	381,808
Farm equipment	388,747	450,169
Steel products	135,869	272,492
Lumber, paint, and other maintenance equipment	205,845	251,772
Insecticides	214,719	274,744
Electrical equipment and appliances	108,271	305,878
Twine	83,734	101,782
Miscellaneous	221,303	106,509
Total value of supplies distributed at wholesale	<u>\$10,789,634</u>	<u>\$14,402,030</u>

The net savings on supply distribution amounted to \$272,190 in 1946 and \$398,078 in 1947. The savings were distributed as follows:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock	\$54,171	\$69,104
Patronage refunds in capital stock	171,606	218,004
Retained in reserves	46,413	110,970
Total net savings	<u>\$272,190</u>	<u>\$398,078</u>

The financial condition of the Pennsylvania Farm Bureau Cooperative Association as of December 31, 1946 and 1947 is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$1,568,910	\$2,058,840
Fixed assets.....	586,611	842,400
Other assets.....	<u>858,958</u>	<u>961,516</u>
Total assets.....	<u>\$3,014,479</u>	<u>\$3,862,756</u>
Liabilities and net worth:		
Current liabilities.....	\$668,760	\$812,048
Other liabilities.....	419,134	340,000
Net worth (capital and reserves).....	<u>1,926,585</u>	<u>2,710,708</u>
Total liabilities and net worth.....	<u>\$3,014,479</u>	<u>\$3,862,756</u>

As of December 21, 1947, the principal operating facilities of the Pennsylvania Farm Bureau Cooperative Association consisted of the following:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Depre- ciated value</u>
Feed mill.....	1	\$160,700
Seed cleaning plant.....	1	99,047
Wholesale farm supply warehouse.....	2	202,129
Office building.....	1	60,504
Transport trucks.....	15	49,224
Dust plant.....	1	11,029
Hatchery.....	1	<u>47,335</u>
Total value.....		<u>\$629,968</u>

In addition, the association held investments of \$819,990 in facilities jointly owned with other cooperative associations.

At the close of 1947 the association had 221 employees. Of these, 124 were engaged in general administration, 58 in manufacturing and processing, and 39 in wholesale distribution.

THE M.F.A. MILLING COMPANY

The M.F.A. Milling Company, with headquarters at Springfield, Missouri, was organized in 1923 and reorganized on its present basis in 1929. At the end of its operating year on June 30, 1947, it was serving 165 local M.F.A. farmers' cooperative exchanges with 60,000 farmer members. The M.F.A. Milling Company, the largest wholesale purchasing association affiliated with the Missouri Farmers Association, is owned by local M.F.A. cooperatives in south Missouri. The local cooperatives, in turn,

are owned by the M.F.A. members which they serve. The M.F.A. Milling Company is organized on a nonstock, nonprofit plan and is financed by patrons' equities. Half of the board of directors is named by the local cooperatives it serves and which constitute its membership, and the other half is named by the State Board of the Missouri Farmers Association.

Supplies distributed at wholesale by the M.F.A. Milling Company were as follows during the year ending June 30, for 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$12,544,414	\$13,320,739
Seed.....	326,570	533,070
Wire.....	163,503	214,056
Twine.....	37,640	51,915
Paint.....	20,231	25,204
Total value of supplies distributed at wholesale.....	<u>\$13,092,358</u>	<u>\$14,144,984</u>

The total net savings amounted to \$527,141 in 1946 and \$517,393 in 1947.

The following condensed financial statement shows the financial condition of the M.F.A. Milling Company as of June 30, 1946 and 1947:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$1,386,506	\$1,668,143
Fixed assets.....	570,806	634,678
Other assets.....	96,968	76,015
Total assets.....	<u>\$2,054,280</u>	<u>\$2,378,836</u>
Liabilities and net worth:		
Current liabilities.....	\$25,396	\$43,719
Other liabilities.....	293,625	6,739
Net worth.....	1,735,259	2,328,378
Total liabilities and net worth.....	<u>\$2,054,280</u>	<u>\$2,378,836</u>

On June 30, 1947, the operating facilities of the M.F.A. Milling Company consisted of the following:

<u>Type of facility</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Trucks, semi-trailers, and service costs.....	13	\$18,989	\$6,171
Mill buildings, machinery, and equipment.....	2	865,989	598,607
Total value.....		<u>\$884,978</u>	<u>\$604,778</u>

The M.F.A. Milling Company, as of June 1947, had 241 employees, of whom 133 were employed at Springfield and 108 at Aurora. Six of the total 241 employees were engaged in general administration, 5 in sales and service, and 230 in manufacturing and processing.

CENTRAL CO-OPERATIVE WHOLESALE

The Central Co-operative Wholesale - C.C.W. - with headquarters at Superior, Wisconsin, was organized on September 15, 1917. At the close of its operating year on December 31, 1947, it was serving 180 member and 50 nonmember cooperative associations in northern Michigan, northern Wisconsin, northern Minnesota, and eastern North Dakota. These cooperative outlets served 80,000 patrons, 75 to 80 percent of whom were farmers.

The value of supplies distributed at wholesale by the C.C.W. during 1946 and 1947 was as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$2,296,078	\$2,845,512
Seed.....	70,128	112,370
Gas, oil, and grease.....	727,407	1,401,026
Tires, tubes, and other accessories.....	530,163	427,495
Steel products.....	175,423	223,948
Lumber, paints, and other maintenance equipment.....	360,745	494,816
Insecticides.....	12,861	16,214
Electrical equipment and appliances.....	439,525	490,482
Farm machinery and equipment.....	274,812	639,205
Hardware.....	372,419	138,614
Twine.....	13,709	23,789
Coal.....	126,548	141,205
Groceries.....	1,969,782	2,423,378
Fresh fruits and vegetables.....	223,197	341,036
Bakery products.....	261,939	305,182
Coffee.....	165,644	261,255
Clothing.....	599,341	602,868
Store fixtures and equipment ²⁷ and advertising service.....	69,501	128,347
Total value of supplies distributed at wholesale.....	<u>\$8,689,222</u>	<u>\$11,016,742</u>

The total net savings, after income tax, on these operations amounted to \$273,249 in 1946 and \$374,205 in 1947. These savings were distributed as follows:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Unallocated Surplus.....		\$3,362
Patronage refunds paid in capital stock shares	\$243,531	309,351
Interest on capital stock.....	29,718	36,792
Total net savings after income tax.....	<u>\$273,249</u>	<u>\$349,505</u>

²⁷This is a department separated from the grocery department. It sells meat counters, cash registers, and other fixtures and equipment to retail stores.

The financial condition of the C.C.W. on December 31, 1946 and 1947 is shown in the following statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$1,495,040	\$1,979,654
Fixed assets.....	310,563	545,771
Other assets.....	468,643	839,334
	<hr/>	<hr/>
Total assets.....	<u>\$2,274,246</u>	<u>\$3,364,759</u>
Liabilities and net worth:		
Current liabilities.....	\$962,033	\$1,073,091
Net worth (capital and reserves).....	1,312,213	1,624,744
Long-term notes.....		666,924
	<hr/>	<hr/>
Total liabilities and net worth.....	<u>\$2,274,246</u>	<u>\$3,364,759</u>

On December 31, 1947, the principal operating facilities owned and operated by the C.C.W. consisted of the following:

<u>Type of facility</u>	<u>Cost value</u>	<u>Depre- ciated value</u>
Feed mills.....	\$98,733	\$25,605
Coffee roastery.....	11,972	10,897
General delivery trucks.....	112,149	52,976
Office and warehouse buildings.....	270,864	42,091
Office and printing building.....	29,275	22,053
Bakery plant.....	32,091	25,883
	<hr/>	<hr/>
Total value.....	<u>\$555,084</u>	<u>\$179,505</u>

At the close of 1947 the C.C.W. had 269 employees, 61 of whom were engaged in general administration, 64 in manufacturing and processing, 129 in wholesale distribution, and 15 in educational work.

CONSUMERS COOPERATIVES ASSOCIATED

Consumers Cooperatives Associated, with headquarters at Amarillo, Texas, was organized in 1930. On December 31, 1947, it was serving 252 member associations with approximately 100,000 patrons, 95 percent of whom were farmers. The association operates throughout Texas, New Mexico, Arkansas, Louisiana, Mississippi, the southeastern part of Colorado, and the southeastern and southern parts of Oklahoma.

Supplies distributed at wholesale by the association during its last two fiscal years were as follows:

<u>Commodity</u>	<u>1946</u>	<u>²⁸ 1947</u>
Light fuels.....	²⁹ \$5,044,960	²⁹ \$5,891,859
Lubricating oils.....	134,115	162,072
Anti-freeze.....	9,103	14,798
Grease.....	28,483	32,810
Crude oil.....	157,147	381,761
Tires and tubes.....	982,912	544,291
Batteries.....	35,442	49,245
Auto accessories.....	92,370	77,525
Appliances.....	161,269	212,735
Hardware and building supplies.....	286,289	308,400
Farm machinery.....	140,445	394,338
Feed and seed.....	186,279	243,680
Fertilizer.....	108,436	93,239
Insecticides.....		
Groceries.....	7,218	6,957
Grain.....	929,332	413,048
Total value of supplies distributed at wholesale.....	²⁹ <u>\$8,303,800</u>	²⁹ <u>\$8,826,758</u>

The total net savings on these operations amounted to \$344,277 in December 1946 and \$368,226 in October 1947. These savings were distributed in the following manner:

<u>Distribution of net savings</u>	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$30,758	\$32,851
Cash patronage dividends.....	4,063	3,386
Retained in reserves.....	23,902	9,098
Patronage refunds paid in capital stock and equities.....	285,554	322,891
Total net savings.....	<u>\$344,277</u>	<u>\$368,226</u>

The financial condition of Consumers Cooperatives Associated as of December 31, 1946 and October 31, 1947 is shown by the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$1,277,298	\$1,989,349
Fixed assets.....	1,728,705	1,797,652
Other assets.....	177,290	231,155
Total assets.....	<u>\$3,183,293</u>	<u>\$4,018,156</u>
Liabilities and net worth:		
Current liabilities.....	\$1,140,256	\$1,793,162
Other liabilities.....	803,362	596,834
Net worth.....	1,239,675	1,628,160
Total liabilities and net worth.....	<u>\$3,183,293</u>	<u>\$4,018,156</u>

²⁸For fiscal year ending October 31, 1947 (10 months).

²⁹Includes some intercompany sales.

Consumers Cooperatives Associated has 4 branch warehouses located at Dallas, Edroy, and Levelland, Texas, and at Little Rock, Arkansas. A modern grain drying plant and a feed mill are operated in connection with the Edroy warehouse.

The subsidiaries of Consumers Cooperatives Associated are the Consumers Cooperative Refinery Association at Levelland, Texas, and the Cooperative Producing Association of New Mexico, which is engaged in the production of crude oil.

On October 31, 1947, the association and subsidiaries had 170 employees, of whom 28 were engaged in general administration and 142 in manufacturing, processing, and wholesale distribution.

FARMERS UNION STATE EXCHANGE

The Farmers Union State Exchange, with headquarters at Omaha, Nebraska, was organized in 1914. At the end of its 1947 operating year, December 31, 1947, it was serving 300 member associations with 50,000 patrons of whom 98 percent were farmers. Through 10 private dealers it reached an additional 2,000 patrons, of whom 90 percent were farmers. The Exchange operates in the State of Nebraska and in nearby sections of Wyoming and Iowa.

Supplies distributed at wholesale by the Farmers Union State Exchange during 1946 and 1947 were as follows:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$149,769	\$220,104
Seed.....	43,445	48,302
Gas, oil, and grease.....	2,030,482	2,887,144
Tires, tubes, and other accessories.....	92,066	106,961
Farm equipment, hardware, and fencing.....	487,120	908,061
Steel products.....	29,088	52,316
Paint.....	29,859	66,934
Twine.....	35,898	61,746
Coal.....	52,155	51,170
Groceries.....	192,648	248,636
Clothing.....	72,579	60,304
Produce.....	144,724	115,843
Roofing.....	40,963	68,171
Miscellaneous.....	14,430	4,608
Transportation.....	93,705	100,098
Total value of supplies distributed at . wholesale.....	<u>\$3,508,931</u>	<u>\$5,000,398</u>

The Farmers Union State Exchange also had retail sales of \$1,341,292 in 1946 and \$1,678,943 in 1947.

The total net savings from all operations amounted to \$217,682 in 1946 and \$381,878 in 1947. The distribution of these savings was as follows:

	<u>1946</u>	<u>1947</u>
Cash dividends on stock.....	\$16,587	\$17,477
Cash patronage refunds.....	30,991	³⁰ 55,679
Patronage refunds in capital stock.....	32,087	³⁰ 45,550
Patronage refunds allocated.....	120,826	³⁰ 229,077
Amount credited to surplus reserve fund.....	<u>17,191</u>	<u>34,097</u>
Total net savings.....	<u>\$217,682</u>	<u>\$381,880</u>

The financial condition of the Farmers Union State Exchange as of December 31, 1946 and 1947 is shown in the following condensed financial statement:

	<u>1946</u>	<u>1947</u>
Assets:		
Current assets.....	\$406,249	\$1,031,393
Fixed assets.....	126,618	294,417
Other assets.....	<u>597,380</u>	<u>638,715</u>
Total assets.....	<u>\$1,130,247</u>	<u>\$1,964,525</u>
Liabilities and net worth:		
Current liabilities.....	\$54,577	\$374,792
Other liabilities.....	283,675	387,051
Net worth (capital and reserves).....	<u>791,995</u>	<u>1,202,682</u>
Total liabilities and net worth.....	<u>\$1,130,247</u>	<u>\$1,964,525</u>

The facilities owned and operated by the Exchange on December 31, 1947, consisted of a feed-mixing plant, a seed-cleaning plant, 2 wholesale farm supply warehouses, 8 retail farm supply stores, 4 bulk petroleum plants, an office building, a lubricating oil compounding plant, 9 transport trucks, 3 general delivery trucks, and a produce plant. The Exchange also holds a joint interest with other regional cooperatives in a petroleum refinery, pipe line, and machinery company.

At the close of 1947, the Exchange had 176 employees of whom 91 were engaged in wholesale distribution and 85 in retail distribution.

PART II

COMBINED INFORMATION FOR 18 MAJOR REGIONAL FARM SUPPLY
PURCHASING COOPERATIVES FOR FISCAL YEARS ENDED
IN 1946 AND 1947

In this section the information presented in Part I for the individual associations is combined and analyzed to show the general character and significance of these 18 major regional farm supply purchasing cooperatives.

AGE OF ORGANIZATIONS

The 18 regional cooperatives for which basic data are given in Part I were organized in the following years:

<u>Year</u>	<u>Number of associations organized during specified year</u>
1907.....	1
1914.....	1
1917.....	1
1918.....	1
1920.....	1
1923.....	2
1926.....	1
1927.....	2
1929.....	2
1930.....	1
1931.....	1
1933.....	2
1934.....	2

Only 5 of these associations were in existence by 1920. By 1930 there were 13. The remaining 5 were established early in the 1930's. At the end of 1947, the average age for the 18 associations was 22 years.

AREA OF SERVICE

The statements in Part I show that the 18 regional associations render service generally throughout the United States except for a large part of the South. Several regional purchasing associations serve the South and Southwest, but with the exception of Southern States Cooperative, Inc., which serves Virginia as well as several nearby States, only two, the Farmers Cooperative Exchange, Raleigh, North Carolina, and the Consumers Cooperatives Associated, Amarillo, Texas, did a wholesale supply business in 1947, each in excess of 5 million dollars.³¹ It should be clearly understood that a number of other regional purchasing associations also operate in the area served by these 18 large regional purchasing associations.

³¹The two next largest regional farm supply purchasing cooperatives in this area are the Mississippi Federated Cooperatives, Jackson, Mississippi, and the Southwest Cooperative Wholesale, Phoenix, Arizona. Both of these regionals also perform cooperative marketing service. As noted in the Appendix, the Cotton Producers Association of Atlanta, Georgia, also serves as a regional farm supply purchasing association.

TYPE OF RETAIL OUTLET

The 18 major regional farm supply purchasing cooperatives distributed supplies through some 7,866 retail outlets in 1946 and 8,048 in 1947. Their retail outlets can be classified as follows:

<u>Type of retail outlet</u>	<u>1946</u>	<u>1947</u>
Local cooperative member associations.....	3,544	3,864
Local cooperative nonmember associations.....	1,069	1,139
Affiliated cooperative service associations.....	603	651
Private service agencies.....	1,299	1,285
Farmer-representatives.....	³² 1,351	1,109

The local cooperative associations listed above are autonomous organizations. The "member associations" hold membership interests in the regional associations while the "nonmember associations" are simply served by the regional associations. The "affiliated cooperative service associations" are associations or branch outlets that are under the direct management of regional associations. "Private service agencies" are private concerns that render distribution service for the regional cooperative associations under agreed-upon plans. These plans include provisions for passing on to farmers the patronage refunds distributed by the regional. Similarly, the "farmer-representatives" are farmers who serve as distribution agents for the regional associations. The individual reports in Part I give more complete information on the character of local service outlets.

NUMBER OF PATRONS SERVED

The 18 regional associations estimated that through their various local outlets at the end of their 1947 fiscal year they were serving 2,175,528 farmer patrons and 140,911 nonfarmer patrons, or a total of 2,316,439 patrons.³³ Thus 93.9 percent of the patrons were farmers, and 6.1 percent were nonfarmers. On the basis of the information furnished by the regional associations, it is estimated that farmer patrons purchased over 95 percent of the supplies distributed through the local outlets of the 18 regional cooperatives.

NUMBER OF EMPLOYEES

According to data in Part I, the 18 regional associations at the end of the 1947 fiscal year employed a total of 16,603 persons. Of these, it is estimated that about 16 percent were engaged in general administration; 63 percent in manufacturing, processing, and wholesale distribution; and 21 percent in retail supply distribution and in agricultural marketing work.

³²Revised.

³³On the basis of other studies made by the Cooperative Research and Service Division, it is believed that this total considerably overstates the number of actual patrons.

Table 1. - Dollar volume of farm supplies distributed and farm products marketed by 18 major regional farm supply purchasing cooperatives during fiscal years ended in 1946 and 1947

ASSOCIATION	YEAR ENDED	SUPPLIES DISTRIBUTED AT WHOLESALE		SUPPLIES DISTRIBUTED AT RETAIL		FARM PRODUCTS MARKETING		TOTAL DOLLAR VOLUME	
		1946 (REVISED)	1947	1946	1947	1946	1947	1946 (REVISED)	1947
Coop. Grange League Federation Exchange, Inc.....	June 30	^a \$93,611,777	^b \$111,223,795	\$75,677,971	\$86,379,583	\$14,406,754	\$17,113,975	^a \$183,696,502	^b \$214,717,353
Southern States Coop., Inc.....	June 30	^c 45,173,178	^c 54,389,016	15,934,067	21,252,302	6,162,334	6,762,381	67,269,579	82,403,699
Eastern States Farmers' Exchange, Inc.....	Dec. 31	56,589,580	77,103,869	-	-	-	-	56,589,580	77,103,869
The Farm Bureau Coop. Assn., Inc. (Ohio).....	Dec. 31	^e 25,514,434	^f 31,755,939	-	-	11,880,852	15,601,619	^e 37,395,286	^f 47,357,558
Consumers Coop. Assn. Indiana Farm Bureau	Aug. 31	26,069,029	38,490,830	420,787	580,126	-	-	26,469,816	39,070,956
Coop. Assn., Inc. Illinois Farm Supply Co.....	Dec. 31	25,931,097	32,460,470	-	-	-	390,531	25,931,097	32,851,001
Farmers Union Central Exchange, Inc.....	Aug. 31	21,176,614	31,361,129	-	-	-	-	21,176,614	31,361,129
Farmers Cooperative Exchange, Inc.....	Dec. 31	20,403,331	28,517,326	-	-	-	-	20,403,331	28,517,326
Midland Coop. Whse. Fruit Growers Supply Co.....	June 30	8,659,870	13,128,658	6,531,779	9,105,707	1,256,829	1,771,319	16,448,478	24,005,684
Pacific Supp. Coop. Farm Bureau Services, Inc.....	Dec. 31	15,793,111	22,896,889	-	-	-	-	15,793,111	22,896,889
Pennsylvania Farm Bu. Coop. Assn....	Dec. 31	19,709,145	21,707,181	-	-	-	-	19,709,145	21,707,181
M.F.A. Milling Co..	Dec. 31	12,252,694	16,736,554	336,635	766,895	-	-	12,589,329	17,503,449
Central Coop. Whse..	Aug. 31	8,257,823	11,214,919	2,479,057	3,197,018	987,003	1,342,185	11,723,883	15,754,122
Consumers Coop. Associated.....	Dec. 31	10,789,634	14,402,030	-	-	-	-	10,789,634	14,402,030
Farmers Union State Exchange...	June 30	13,092,358	14,144,984	-	-	-	-	13,092,358	14,144,984
	Dec. 31	8,689,222	11,016,742	-	-	-	-	8,689,222	11,016,742
	Oct. 31 ^g	8,303,800	8,826,758	-	-	-	-	8,303,800	8,826,758
	Dec. 31	3,508,931	5,000,398	1,341,292	1,678,943	-	-	4,850,223	6,679,341
Total.....		\$423,527,628	\$544,377,487	\$102,721,588	\$122,960,574	\$34,693,772	\$42,982,010	\$560,942,988	\$710,320,071

^aExcludes \$363,905 inter-company transactions.

^bExcludes \$241,320 inter-company transactions.

^cWholesale supplies plus supplies manufactured for the account of affiliated regional cooperatives.

^dDistribution of supplies by Eastern States Farmers' Exchange represents purchases by individual patrons. The exchange integrates all wholesale and retail functions performed incident to final distribution to patrons.

^eExcludes \$71,093 inter-company transactions.

^fExcludes \$70,935 inter-company transactions.

^gChange was made in business year. Fiscal year now ends October 31.

Table 2. - Dollar volume of farm supplies distributed at wholesale by 18 major regional farm supply purchasing cooperatives, by type of supply, during fiscal year ended 1947

ASSOCIATION	FEED	SEED	FERTILIZER AND INSECTI- CIDES	PETROLEUM PRODUCTS AND AUTO ACCESSORIES	FARM MACHINERY AND EQUIPMENT, LUMBER, PAINT, PACKAGING MATERIAL, ELECTRICAL EQUIPMENT, AND STEEL PRODUCTS	COAL AND TWINE	GROCERIES	MISCEL- LANEOUS	TOTAL DOLLAR VOLUME
Coop. Grange League Fed- eration Exchange, Inc.	\$81,399,605	\$4,179,374	\$9,460,019	⁷ \$3,372,459	\$7,477,114	\$521,810	-	\$1,054,734	^a \$111,465,115
Eastern States Farmers' Exchange, Inc.	68,693,229	3,339,291	4,015,014	-	1,056,335	-	-	-	77,103,869
Southern States Coop., Inc.	33,740,473	3,984,379	9,173,336	2,671,721	4,562,898	-	-	256,209	54,389,016
Consumers Coop. Assn.	3,343,539	-	198,275	28,361,240	4,235,280	246,297	\$1,127,713	978,516	38,490,830
Indiana Farm Bureau Coop. Assn., Inc.	5,234,688	1,139,243	3,177,506	8,718,678	11,444,713	1,741,775	-	1,003,867	32,460,470
The Farm Bureau Coop. Assn., Inc. (Ohio)	11,410,375	1,219,907	4,232,971	6,593,636	6,680,178	367,082	-	1,322,725	^c \$1,826,874
Illinois Farm Supply Co. Farmers Union Central Exchange, Inc.	4,659,714	-	2,941,495	18,449,195	2,337,685	77,612	-	2,895,428	31,361,129
Midland Coop. Wholesale. Fruit Growers Supply Co. Pacific Supply Coop.	^d 2,522,295 1,988,686 -	- 688,121 -	22,629 1,383,759 4,368,367	20,354,829 13,302,681 -	4,662,820 3,864,780 16,715,776	280,397 120,048 -	190,115 1,542,295 -	484,241 6,519 623,038	28,517,326 22,896,889 21,707,181
Pennsylvania Farm Bureau Cooperative Assn.	4,821,584	1,351,994	896,620	6,765,484	2,350,102	57,805	-	474,965	^e 16,736,554
M.F.A. Milling Co.	6,550,007	811,699	1,465,668	3,704,046	1,662,119	101,782	-	106,509	14,402,030
Farmers Cooperative Exchange, Inc.	13,320,739	533,070	-	-	239,260	51,915	-	-	14,144,984
Farm Bureau Services, Inc.	4,914,936	1,576,130	1,699,592	65,091	1,739,669	-	-	3,133,240	13,128,658
Central Coop. Wholesale. Consumers Coop. Associated.	2,447,319 2,845,512 -	1,074,520 112,370 -	1,546,590 16,214 93,239	2,060,409 1,828,521 7,154,361	3,973,650 2,115,412 915,473	112,431 164,994 -	- 3,330,851 6,957	- 602,868 -	11,214,919 11,016,742 8,826,758
Farmers Union State Exchange	656,728 220,104	- 48,302	-	2,994,105	1,095,482	112,916	248,636	280,853	5,000,398
Total	\$248,769,533	\$20,058,400	\$44,691,494	\$130,414,426	\$77,128,746	\$3,956,864	\$6,446,567	\$13,223,712	\$544,689,742

^aIncludes \$241,320 inter-company business transactions.

^bDistribution of supplies by Eastern States Farmers' Exchange represents purchases by individual patrons. The exchange integrates all wholesale and retail functions performed incident to final distribution to patrons.

^cIncludes \$70,935 inter-company business transactions.

^dIncludes some seed, flour, and fertilizer.

^eIncludes a small amount of retail volume.

^fIncludes some seed.

Table 3. - Percentage of total dollar volume of association represented by specific supply items distributed at wholesale by 18 major regional farm supply purchasing cooperatives during fiscal year ended 1947.

ASSOCIATION	FEED	SEED	FERTILIZER AND INSECTI- CIDES	PETROLEUM PRODUCTS AND AUTO ACCESSORIES	FARM MACHINERY AND EQUIPMENT, LUMBER, PAINT, PACKAGING MATERIAL, ELECTRICAL EQUIPMENT, AND STEEL PRODUCTS	COAL AND TWINE	GROCERIES	MISCEL- LANEOUS	TOTAL
					(Percent)				
Coop. Grange League Federation Exchange, Inc.....	73.0	3.8	8.5	6.6	6.7	.5	-	.9	^a 100
Eastern States Farmers' Exchange, Inc. ^b	89.1	4.3	5.2	-	1.4	-	-	-	100
Southern States Cooperative, Inc.....	62.0	7.3	16.9	4.9	8.4	-	-	.5	100
Consumers Cooperative Association.....	8.7	-	.5	73.7	11.0	.6	2.9	2.6	100
Indiana Farm Bureau Cooperative Assn., Inc.....	16.1	3.5	9.8	26.9	35.2	5.4	-	3.1	100
The Farm Bureau Cooperative Assn., Inc. (Ohio)....	35.8	3.8	13.3	20.7	21.0	1.2	-	4.2	^a 100
Illinois Farm Supply Company.....	14.9	-	9.4	58.8	7.5	.2	-	9.2	100
Farmers Union Central Exchange, Inc.....	^c 8.8	-	.1	71.4	16.3	1.0	.7	1.7	100
Midland Cooperative Wholesale.....	8.7	3.0	6.1	58.1	16.9	.5	6.7	(d)	100
Fruit Growers Supply Company.....	-	-	20.1	-	77.0	-	-	2.9	100
Pacific Supply Cooperative.....	28.8	8.1	5.4	40.5	14.0	.4	-	2.8	^e 100
Pennsylvania Farm Bureau Co-operative Assn.....	45.5	5.6	10.2	25.7	11.6	.7	-	.7	100
M.F.A. Milling Company.....	94.2	3.8	-	-	1.7	.3	-	-	100
Farmers Cooperative Exchange, Inc.....	37.4	12.0	12.9	.5	13.3	-	-	23.9	100
Farm Bureau Services, Inc.....	21.8	9.6	13.8	18.4	35.4	1.0	-	-	100
Central Cooperative Wholesale.....	25.8	1.0	.2	16.6	19.2	1.5	30.2	5.5	100
Consumers Cooperatives Associated.....	^f 7.4	-	1.1	81.0	10.4	-	.1	-	100
Farmers Union State Exchange.....	4.4	1.0	-	59.9	21.9	2.2	5.0	5.6	100
Total.....	45.7	3.7	8.2	23.9	14.2	.7	1.2	2.4	100

^aIncludes .02 percent inter-company business.

^bDistribution of supplies by Eastern States Farmers' Exchange represents purchases by individual patrons. The exchange integrates all wholesale and retail functions performed incident to final distribution to patrons.

^cIncludes seed, flour, and fertilizer.

^dLess than one-tenth of one percent.

^eIncludes a small amount of retail volume.

^fIncludes some seed.

DOLLAR VOLUME OF BUSINESS

The combined business of the 18 regional cooperatives, including the value of supplies distributed at wholesale and at retail plus the value of farm products marketed, amounted to \$710,320,071 for the fiscal year ended in 1947. The comparable volume for the similar period ended in 1946 was \$560,942,988. The outstanding position of the Cooperative Grange League Federation, Inc., in volume handled is shown in table 1. Sixteen of the 18 associations each had a volume of more than 10 million dollars, and of these 8 each had a volume of more than 25 million dollars. The combined purchasing and marketing operations of the 16 associations for the 1947 fiscal year amounted to a total dollar volume of \$694,813,972; for the 8 associations the total volume was \$553,382,841.

Table 4. - Dollar volume of supplies distributed at wholesale by 18 major regional farm supply purchasing cooperatives for fiscal years ended in 1946 and 1947

Commodity	^a 1946	1947	Percentage increase or decrease
Feed.....	\$198,673,244	\$248,769,533	+25.2
Gas, oil, and grease.....	84,689,225	116,398,226	+37.4
Fertilizer.....	31,420,706	36,592,575	+16.5
Farm machinery and farm equipment.....	15,073,397	23,362,644	+55.0
Seed.....	16,510,484	20,058,400	+21.5
Package material, drums, and containers.....	15,397,147	17,901,731	+16.3
Lumber, paint, and maintenance material.....	12,189,991	16,678,675	+36.8
Tires, tubes, and auto accessories.....	12,665,216	14,016,200	+10.7
Steel products.....	8,517,358	13,123,352	+54.1
Insecticides.....	6,269,430	8,098,919	+29.2
Groceries.....	5,381,634	6,446,567	+19.8
Electrical equipment.....	4,027,305	6,062,344	+50.5
Coal.....	1,680,635	2,497,698	+48.6
Twine.....	946,972	1,459,166	+54.1
Miscellaneous.....	10,519,882	13,223,712	+25.7
Total.....	^b \$423,962,626	^c \$544,689,742	+28.5

^aRevised figures.

^bIncludes \$434,998 intercompany transactions.

^cIncludes \$312,255 intercompany transactions.

TYPES OF SUPPLIES HANDLED

The relative significance of the various supplies distributed at wholesale³⁴ by the 18 regional associations during the fiscal year ended in 1947 is shown in tables 2 and 3. Feed predominated in the dollar volume of 8 associations whereas petroleum products and related supplies predominated in the volume of 8 other associations.

³⁴Distribution of supplies by Eastern States Farmers' Exchange represents purchases by individual patrons. The exchange integrates all wholesale and retail functions performed incident to final distribution to patrons.

The dollar volume of feed was greater than that of any other supply distributed by the Farm Bureau Services, Inc., as was the dollar volume of petroleum products and related supplies distributed by the Indiana Farm Bureau Cooperative Association, Inc. The grouping in tables 2 and 3 does not bring out this fact.

In terms of dollar volume, groceries were the most important commodity distributed by the Central Co-operative Wholesale. Packaging material represented the bulk of the dollar volume of the Fruit Growers Supply Company. This company performs a purchasing service for the citrus growers of Southern California.

Table 4 shows the relative significance of the combined total of each of the various supplies distributed by the 18 associations during the fiscal years ended in 1946 and 1947. The total dollar volume of all supplies distributed in 1947 showed an increase of 28.5 percent over that in 1946.

Feed, petroleum products, and fertilizer made up 73.8 percent of the total dollar volume of supplies distributed at wholesale in 1947. The value of feed distributed during 1947 was 25.2 percent greater than the value of that distributed in 1946. Petroleum products increased 37.4 percent in dollar volume and fertilizer increased 16.5 percent. Farm machinery and farm equipment, steel products, electrical equipment, coal, and twine each increased around 50 percent. The dollar volume of other supplies showed smaller percentage increases.

DISTRIBUTION OF SAVINGS

The amount and distribution of the combined net savings of the 18 associations for the fiscal years ended in 1946 and 1947 are shown in table 5. The total savings increased from \$21,094,611 in 1946 to \$28,878,601 in 1947, or 36.9 percent. Savings returned to patrons as cash patronage refunds increased 26.8 percent. Savings returned as patronage refunds in the form of capital stock, certificates of equity, or other equity holdings increased 35.3 percent. Cash dividends applied on stock increased 27.8 percent, and the amount of savings retained in reserves increased 80.9 percent.

Table 5. - Distribution of combined net savings of 18 major regional farm supply purchasing cooperatives for fiscal years ended in 1946 and 1947

Distribution of net savings	^a 1946	1947	Percentage increase
Cash patronage refunds.....	\$9,088,735	\$11,521,044	26.8
Deferred patronage refunds ^b	7,478,102	10,115,664	35.3
Cash dividends on stock.....	1,788,415	2,285,743	27.8
Savings retained in reserves.....	2,739,359	4,956,150	80.9
Total net savings.....	\$21,094,611	\$28,878,601	36.9

^aA few associations revised their figures for 1946.

^bEvidenced by capital stock, certificates of equity, or other equity holdings.

FINANCIAL CONDITION

The financial condition of the 18 associations as a group at the close of their fiscal years ended in 1946 and 1947 is given in table 6.

Table 6. - Consolidated financial statement for 18 major regional farm supply purchasing cooperatives at the close of their fiscal years ended in 1946 and 1947

Item	1946		1947	
	Amount	Percent- age of total	Amount	Percent- age of total
Assets:				
Current assets.....	\$87,543,747	56.4	\$109,787,094	55.5
Fixed assets.....	48,470,006	31.3	60,649,673	30.7
Other assets.....	19,108,837	12.3	27,380,455	13.8
Total assets.....	\$155,122,590	100.0	\$197,817,222	100.0
Liabilities and members' equities:				
Current liabilities...	\$39,966,717	25.8	\$50,556,842	25.5
Other liabilities.....	22,554,971	14.5	36,729,900	18.6
Members' equities (capital and re- serves)	92,600,902	59.7	110,530,480	55.9
Liabilities and members' equities	\$155,122,590	100.0	\$197,817,222	100.0

The combined total assets increased from \$155,122,590 in 1946 to \$197,817,222 in 1947, or 27.5 percent; members' equities increased from \$92,600,902 to \$110,530,480, or 19.4 percent. At the end of the 1947 fiscal year, the 18 associations had members' equities equal to 55.9 percent of the total assets as compared with 59.7 percent for the preceding period. The 18 associations combined had \$2.17 in current assets for each \$1 in current liabilities at the end of their 1947 fiscal year. The current ratio in 1946 was \$2.19 to \$1.

APPENDIX

VALUE OF SUPPLIES DISTRIBUTED BY FOUR MAJOR REGIONAL
MARKETING COOPERATIVES FOR FISCAL YEARS
ENDED IN 1946 AND 1947

Four major regional marketing cooperatives which distribute large dollar volumes of farm supplies are the Poultry Producers of Central California, the Washington Cooperative Farmers Association, the Utah Poultry and Farmers Cooperative, and The Cotton Producers Association. The first three of these associations are centralized organizations that distribute direct to farmers through local branches. The Cotton Producers Associations is of the federated type that distributes farm supplies at wholesale to member local associations.

POULTRY PRODUCERS OF CENTRAL CALIFORNIA

The value of feed and other farm supplies distributed to its members by the Poultry Producers of Central California with headquarters in San Francisco was as follows for the fiscal years ended December 31, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$19,593,183	\$23,497,682
Gasoline.....	454,220	879,742
Supplies.....	639,034	764,771
Total value.....	<u>\$20,686,437</u>	<u>\$25,142,195</u>

WASHINGTON COOPERATIVE FARMERS ASSOCIATION

The Washington Cooperative Farmers Association, Seattle, Washington, distributed supplies in the following dollar volume for the fiscal years ended December 31, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$13,819,698	\$16,476,865
Petroleum.....	1,903,487	2,778,094
Fertilizer.....	327,190	424,629
Seeds.....	212,923	253,127
Other supplies.....	731,432	700,574
Total value.....	<u>\$16,994,730</u>	<u>\$20,633,289</u>

The Washington Cooperative Farmers Association showed net savings to members on supply operations amounting to \$1,203,839 in 1946 and \$1,492,130 in 1947, after paying \$132,146 in 1946 and \$154,081 in 1947 in 6 percent dividends on capital stock and 4 percent interest on finance fund certificates for financing supply operations.

UTAH POULTRY AND FARMERS COOPERATIVE

The value of farm supplies distributed by the Utah Poultry and Farmers Cooperative, Salt Lake City, Utah, was as follows for the years ended December 31, 1946 and 1947:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Feed.....	\$6,192,000	\$6,105,335
Supplies.....	<u>254,000</u>	<u>439,099</u>
Total value	<u>\$6,446,000</u>	<u>\$6,544,434</u>

THE COTTON PRODUCERS ASSOCIATION

The Cotton Producers Association with headquarters at Atlanta, Georgia, now serves farmers in Georgia, practically all of Florida, and a large area in Alabama through member cooperative associations and dealer representatives. Fertilizer, feed, and other farm supplies were distributed to its members for fiscal years ended June 30, 1946 and 1947 in the following dollar volume:

<u>Commodity</u>	<u>1946</u>	<u>1947</u>
Fertilizer.....	\$1,313,485	\$1,292,394
Feed.....	1,044,989	1,174,171
Seed.....	160,837	338,853
Other farm supplies.....	<u>71,735</u>	<u>466,551</u>
Total value.....	<u>\$2,591,046</u>	<u>\$3,271,969</u>

Net margins on supply operations amounted to \$155,100 in 1946 and \$252,520 in 1947.

COMBINED DOLLAR VOLUME INCREASES

Feed was the principal supply distributed by these four associations. In 1947, it represented 85 percent of the dollar volume all supplies handled. Altogether, the total dollar volume of supplies distributed by these four associations increased from \$46,718,213 in 1946 to \$55,591,887 in 1947, or 19 percent. The combined feed volume increased from \$40,649,870 in 1946 to \$47,372,276 in 1947, or 16.5 percent, whereas the volume of all other supplies increased from \$6,068,343 in 1946 to \$8,219,611 in 1947, or 35.4 percent.

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